



DC Power Line Undergrounding

Triennial Plan Overview

Presented by: Caryn Bacon, Pepco, Director Underground Projects

Date: September 18, 2014

Background and History

- Electric Company Infrastructure Improvement Financing Act of 2014 (Act) became law on May 3, 2014
- The Act created a unique public-private partnership between Pepco and DDOT to bury overhead lines to significantly improve electric service during severe weather conditions
- The Act required two separate applications for Commission approval: Triennial Plan and Financing Order
 - Pepco and DDOT jointly filed a Triennial Plan on June 17, 2014 covering the three-year period 2015-2017. The next Triennial Plan will be filed in 2017
 - On August 1, 2014, Pepco filed the Application for Financing Order with the Commission as required by the Act

Background and History

- The Act includes a requirement that Pepco and DDOT make every practical effort to ensure that District of Columbia residents are hired for newly created jobs that are funded through the DC PLUG surcharges with a goal of 100% of the newly created jobs being filled by District of Columbia residents and 100% of construction contracts being awarded to District of Columbia businesses, where qualified to perform such work.

Triennial Plan

- Under the Triennial Plan, DDOT will construct the underground facilities and Pepco will install the underground electric distribution for 21 currently overhead feeders affected by outages
- Triennial Plan also includes the DC PLUG Education Plan and a commitment to District business contracting and resident hiring
- DC PSC has the Triennial Plan and all related documents well organized on their website
 - <http://dcpsc.org/edocket/fc1116.asp>


DC PSC Website

FC1116 - Pepco/DDOT's Application for Approval of the Power Lines Underground Projects Plan



Case No.	Item No.	Date & Time	Filing Type	Company/Individual Filing	Description
FC1116	20	6/17/2014 1:01:00 PM	Application - Other	Potomac Electric Power Company and District Department of Transportation	Pepco and DDOT's Joint Application for Approval of the Triennial Underground Infrastructure Improvement Projects Plan. This filing includes the proposed Triennial Underground Infrastructure Improvement Projects Plan; the Direct Testimony and Exhibits of Pepco Witnesses Gausman, Bacon, Janocha and Vrees; and the Direct Testimony and Exhibits of DDOT Witnesses Foxx and Love.

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Triennial Plan Summary- Appendix C

Year	Feeder	Ranking	Ward	# Custs Served	Estimated Total Cost
1	308	1	3	590	\$11,687,949
	15001	13	4	1,344	\$26,048,749
	14093	10	5	946	\$34,231,400
	14261	4	7	1,279	\$23,512,340
	15177 ⁽¹⁾	8	8	2,223	\$40,780,050
Year 1 Total:				6,382	\$136,260,487

2	75	11	3	287	\$10,868,172
	394	14	3	295	\$10,003,495
	467	6	3	427	\$9,479,476
	15021	30	4	2,047	\$28,849,138
	15701	25	5	2,842	\$14,782,712
	14008	26	5	1,038	\$19,486,420
	368	18	7	627	\$12,070,813
	15707 ⁽²⁾	3	7	3,104	\$41,263,358
	14758	9	8	2,131	\$19,199,215
Year 2 Total:				12,798	\$166,002,800

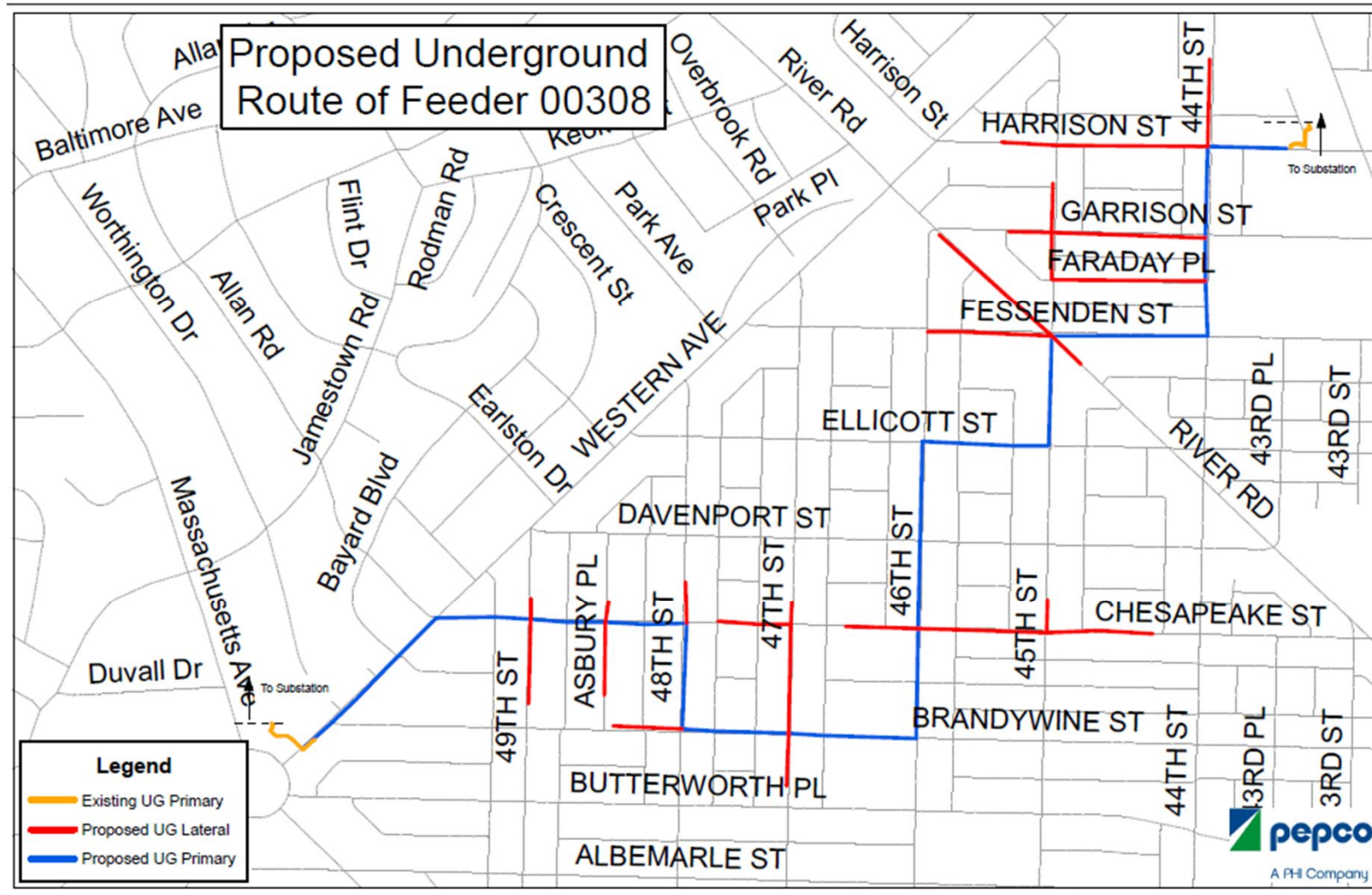
3	14136	22	3	983	\$5,493,159
	15944	21	3	715	\$19,688,647
	14766	19	3	715	\$10,341,696
	14014	27	5	1,956	\$34,449,976
	15013	29	5	992	\$23,230,947
	15130	34	7	1,937	\$10,921,457
	15166	16	8	2,140	\$27,681,744
Year 3 Total:				9,438	\$131,807,626

Total Estimated Costs (3 Years) \$434,070,913

⁽¹⁾ Feeder construction projected to carry over into Year 2

⁽²⁾ Feeder construction projected to carry over into Year 3

One Line Diagrams– Appendix E



Feeder Description Summary Sheet- Appendix D

- Provided are handouts detailing the work to be performed in your ward, including:
 - Feeder and year of construction
 - Ward
 - Neighborhoods
 - Description (percent residential/commercial)
 - Length of feeder (percent overhead and percent underground)
 - Number of customers

Proposed Scope of Work- Example Feeder 00308:

- Remove existing overhead primary wire and transformers
- Install approximately 60 manholes
- Install approximately 8 underground tap holes
- Install approximately 3.4 miles of duct bank in an underground trench
- Install ancillary civil equipment including associated paving milling
- Install approximately 75 transformers
- Install approximately 5 switches
- Install approximately 2 miles of mainline cable
- Install approximately 4.6 miles of lateral cable
- Install ancillary electrical equipment including cable supports, joints and insulators

Paying for the DC PLUG Initiative - Summary

- The total \$1 billion DC PLUG initiative will be funded by three sources
 - \$500 million – funded by Pepco
 - \$375 million – net bonds issued by the District
 - \$62 to \$125 million – funded through DDOT
- Two surcharge mechanisms will be added to the customers' bills
 - The Triennial Plan, filed on June 17, 2014, will establish a surcharge to cover Pepco's investment in the initiative
 - The Financing Plan, filed on August 1, 2014, will authorize the issuance of \$375 million in bonds by the District and establish a surcharge to cover the payments on the bonds.
- Key terms of the proposed bond offering
 - Estimated issuance date March 2015
 - \$375M of net bond proceeds for the initiative
 - Multiple bond tranches issued
 - Final maturity scheduled to be 18 years, but will be no greater than 30 years
 - Overall average life of approximately 10.5 years

DC PLUG Initiative- Current Status

- Joint Triennial Plan filed June 17, 2014 and Financing Application filed August 1, 2014
 - Discovery period for the Triennial Plan and all community hearings completed
 - Objections/Protests filed by OPC and AOBA
 - Pepco/DDOT/OPC held a settlement conference
 - Limited testimony on cost allocation held on 9/16
 - Anticipate final Order late November
- Preliminary engineering designs, drawings and cost estimates developed for the Triennial Plan
- Working on two feeders (308 and 14261) to develop joint engineering/construction processes
- Pepco and DDOT working on coordination with other utilities via a Memorandum of Agreement
- 2nd Supplier Forum September 18